



MINUTES
ECONOMIC DEVELOPMENT AUTHORITY SPECIAL MEETING
June 29, 2021

CALL TO ORDER

The meeting was called to order at 5:01 pm.

Present: Chair: Jahn Dyvik; Board: Deirdre Kvale, Mike Feldmann, Charlie Miner, Gina Joyce, and Tim Hultmann

Staff Present: Executive Director/City Administrator: Scott Weske; City Attorney: John Thames; and City Clerk: Jeanette Moeller

Absent: Board: Lori Goodsell

APPROVE AGENDA

A motion was made by Miner, seconded by Feldmann, to approve the agenda as presented. Ayes: all.

BUSINESS ITEMS

Closed Session: Discuss Offer for the Purchase of City Owned Virginia Avenue Property Located Adjacent to City Hall

Tim Nichols, Lifestyle Communities, recalled that at their last appearance before Council they had been hopeful that a partner would be stepping in to replace the project investor who had dropped out due to health reasons. Ultimately a week and a half after their last meeting with Council, the potential investor had come back with a finding that the project did not meet their investment criteria. Lifestyle Communities has now received a commitment from a local investor, Chester Yanik and Yanik Companies. Nichols provided a review of the investor's development background and experience. Nichols reported that in addition to the investor's commitment, Lifestyle Communities had met with City Attorney Thames, City Administrator Weske, and the broker for the seven residential homes under contract. The broker indicated he would be willing to place his fee on deferred payment, and Lifestyle is requesting the City consider the possibility of a deferred land payment as well for the purchase of the Virginia Avenue property. Nichols confirmed that these measures were intended to facilitate closing on the residential home purchases, and payment to the City would be funded through the construction loan for the project with payments to be completed within a year. With the broker's and the City's participation, Lifestyle would be able to conclude the closing on the seven residential properties anticipated to take place on July 13. Responding to Council questions, Nichols stated that the City would have a mortgage lien, language in the Site Development Agreement, and other measures in place for assurances that the City would receive payment in full in a timely manner.

A motion was made by Feldmann, seconded by Miner, to enter into closed session at 5:11 pm. Ayes: all.

A motion was made by Feldmann, seconded by Miner, to reopen into public session at 5:32 pm. Ayes: all.

In summary, City Attorney Thames indicated that pursuant to Minnesota Statute 13D.05 subd. 3(c)(3), the Economic Development Authority had entered into closed session to discuss the sale of real property. Direction was given to staff, and a motion has been requested for action by the Board.

Consider Approval of Fourth Amendment to Purchase Agreement with The Borough, LLC

A motion was made by Hultmann, seconded by Miner, to approve the Fourth Amendment to Purchase Agreement with Lifestyle Communities, LLC and The Borough, LLC and authorize the Mayor and Administrator to execute the same. Ayes: Feldmann, Dyvik, Miner, Joyce, Hultmann. Nay: Kvale. Motion carried.

ADJOURN

Hearing no objection, Chair Dyvik adjourned the special meeting by general consent at 5:33 pm.

Respectfully submitted,
Scott Weske, Executive Director